# Exhibit to Agenda Item #4

Provide the Board with SMUD's financial results from the seven-month period ended July 31, 2023, and a summary of SMUD's current Power Supply Costs.

Board Finance & Audit Committee and Special SMUD Board of Directors Meeting Tuesday, September 19, 2023, scheduled to begin at 6:00 p.m. SMUD Headquarters Building, Auditorium



# July 2023 Financial Highlights

\$96 Million

"Net income" **Net position YTD** Favorable compared to budget

**Customer Revenue** \$910 \$9M or 1.0% lower customer revenues than budgeted (unfavorable) • Customer revenues are below target primarily due to lower usage from our commercial customers Million offset by lower bad debt expense. Commodity \$287 \$50M or 14.8% lower commodity expenditures than budgeted (favorable) Purchased power lower due to load is lower than planned and increased hydro generation due to Million higher precipitation for the year. Other Operating Expenses \$2M or 0.3% higher expenditures than budgeted (unfavorable) \$534 Transmission & Distribution expenses \$17M higher due to costs related to the storm response. Customer service and information expenses \$6M lower due delays in load management programs Million and transportation electrification projects leading to delay in participation in customer programs. Public Good expenses \$9M lower due to project delays in energy efficiency, community impact strategy programs and research & development programs. Other Operating & Non-Operating Revenues

#### \$65

\$5M or 7.5% higher than budgeted (favorable)

- Other Non-operating revenues higher due to gain on sale of Solano land and interest income.
- Other Operating revenues lower due to \$65M transferred for the hydro rate stabilization fund.



Million

<sup>\*</sup> There are \$58M other net expenses not included in the highlights above – primarily interest expense

# July 2023 Energy Sources



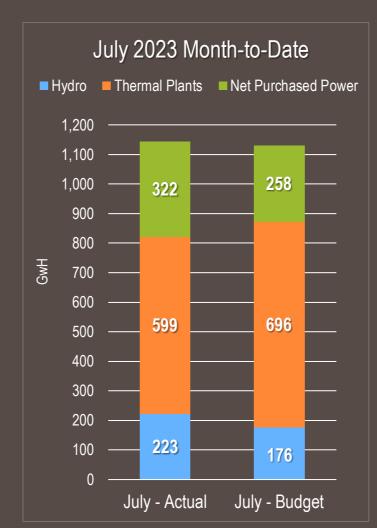
Hydro generation was 27% higher than budget in July and 61% higher than budget year-to-date due to the higher precipitation.



Thermal plants generation 14% lower than budget for July, and 5% lower than budget year-to-date due to higher hydro generation and milder weather.



Net purchased power was 25% higher than budget for July due to lower thermal generation and lower prices, but 36% lower year-to-date due to higher hydro generation and lower load due to milder weather.

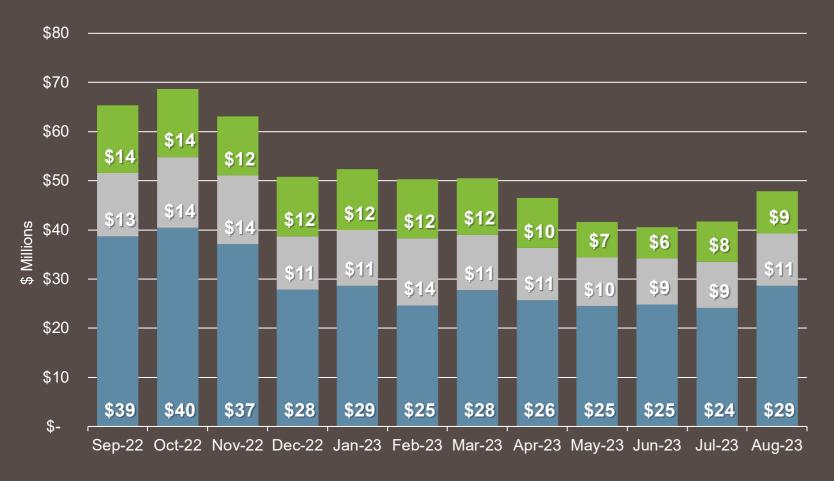






## Delinquency by Account Type

As of August 31, 2023



Delinquency Summary as of 8/31/2023				
	Delinquency (millions)	Number of Customers		
Residential	\$28.6	110,767		
Energy Assistance Program Rate (EAPR)	\$10.6	32,297		
Commercial	\$ 8.6	7,945		
All other (St. Lighting, Night Light, Agriculture)	\$ 0.7	1,653		
Totals	\$48.5	152,662		

■ Residential
■ EAPR
■ Commercial



## Commodity Budget: Mitigations & Forecast



SMUD has in place financial mitigation tools that hedge against hydroelectric uncertainty

\$31.0 Million	HRSF balance
\$65.4 Million	HRSF deposit for Water Year April 2022 to March 2023
\$96.4 Million	HRSF remaining balance after deposit
\$3.5 Million	WAPA RSF balance
\$1.8 Million	WAPA RSF forecasted deposit for 2023
\$5.3 Million	WAPA RSF forecasted remaining balance as of Dec. 31, 2023

2023 Commodity Annual Costs as of July 31, 2023			
Forecast	\$465 Million		
2023 Budget	\$485 Million		
Difference	-\$20 Million		

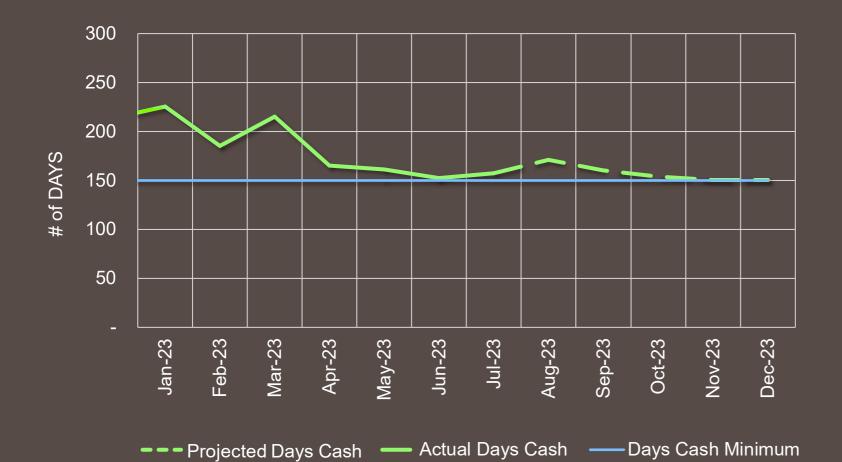
Hydro Performance Annual Forecast as of July 31, 2023				
	UARP	WAPA	UARP + WAPA	
Forecast	2,457 GWh	548 GWh	3,005 GWh	
2023 Budget	1,635 GWh	511 GWh	2,146 GWh	
Variance	822 GWh	37 GWh	859 GWh	

HRSF: Hydro Rate Stabilization Fund WAPA: Western Area Power Administration UARP: Upper American River Project RSF: Rate Stabilization Fund



## Days Cash on Hand

As of July 31, 2023



Days Cash on Hand As of July 31, 2023				
July 31, 2023	Budget	211 days		
July 31, 2023	Actual	158 days		
Dec. 31, 2023	Budget	166 days		
Dec. 31, 2023	Projected	151 days		

